

Mayor Virg Bernero 2006 State of the City Address

"Lansing's Future Starts Now"

Lansing Community College – Dart Auditorium January 30, 2006

Welcome and good evening. President Leeman, Council members, honored guests, citizens of Lansing, it is my privilege to present to you my first State of the City Address.

I am delighted to be here at Dart Auditorium on the campus of Lansing Community College. President Cunningham, Chairman Laverty, I thank you for hosting us tonight.

I'm delighted to be joined by my family: my wife and Lansing's First Lady, Teri, and my daughters Kelly and Virginia. I want to say Happy Birthday to Kelly, who turns 18 today.

The weeks since the election have been momentous for my new Administration. With the able assistance of my Executive Team, I have already begun transforming our city into a more efficient and dynamic organization.

It takes a great team to make great things happen, and I am proud to have assembled one of the most diverse and talented cabinets in Lansing's history. Would the members of my staff and Cabinet please stand and be recognized.

This is the team that will help take Lansing from good to great.

Of course, none of this would have been possible without the outstanding commitment and guidance of my Transition Team leaders, David Hollister and Don LeDuc. They are two of the most civic-minded and intelligent individuals I know. Lansing is fortunate to call them citizens; I am fortunate indeed to call them my friends. David is unable to be with us tonight, but Don will you please stand and be recognized.

Thank you for giving so much to help get us off to a great start.

I'm pleased to report that the state of our city is good, and by working together we can make it great.

We have so much to be proud of here in Lansing. As I have said so often, we have all the ingredients for greatness.

We have a workforce that is second-to-none.

World-class educational institutions.

A long-term commitment from General Motors that continues their 100-year legacy of building cars here in Lansing.

And, we are the home of Michigan state government. We are the Capital City, and it is time that we take our rightful place as one of America's great capital cities.

Today, in these times of challenge and change, we are a good city, a solid city, with a proud history and extraordinary potential to become the best place in the state to live, work, and raise our families.

My friends, Lansing's future starts now.

To reach our full potential, to become the great city that I know we can be, we have some work to do.

The heavy lifting begins with the budget. We face perhaps the greatest fiscal challenge in Lansing's history.

The problem is simple: For the last three years, Lansing has been living beyond its means. If we hope to maintain Lansing's financial solvency and our still-healthy credit rating, this deficit spending must be stopped now.

In fact, our budget deficit may exceed \$10 million, an all-time high. This is nearly 10 percent of the current general fund budget.

It is a structural deficit that will only be solved through structural change. To live within our means, we must make some tough choices.

My colleagues, my fellow citizens, our day of reckoning has arrived.

Change is not just an option; it is a necessity. This problem wasn't created on my watch, but it will be corrected on my watch.

Even before I assumed office, City Council and I worked together to put an end to overgenerous payouts for salaried executives, saving Lansing taxpayers hundreds of thousands of dollars.

In my first week as Mayor I cut the Mayor's Office Budget by 12%, saving taxpayers another \$66,000.

Two weeks ago I issued my first Executive Order, which instituted a hiring freeze, put new restrictions on travel, and stopped non-essential color copying and printing.

Building a balanced budget will be a significant challenge. But let me be clear: This time, we will not rely on quick fixes and paper savings. We will not mortgage our future to pay today's expenses. The budget my administration submits to City Council in March will be balanced -- without the use of reserves or an increase in taxes.

Any proposal to do otherwise will be met with a four-letter word: VETO.

We cannot continue to do all of the things the city is now doing and we cannot continue to work in the same ways we have been working. There is no doubt that some positions and programs will be eliminated. This will be strong medicine, but it is for the good of our city.

I wish I could say this process will be quick and painless. I can only promise that it will be done openly and honestly. Tonight I pledge to work in good faith with my colleagues on the City Council, in the spirit of cooperation and collaboration, to overcome our challenges. Change is never easy, but it will be made easier if we work together to move Lansing forward.

We will get through this together and we will grow this city, because my friends, Lansing's future starts now.

To reach our full potential, to follow the path that leads from good to great, we must have a road map. Tonight, I am pleased to report to you that we have such a road map.

Over the last several months, more than 500 citizens have given thousands of hours of their time to conduct the work of my Transition Team. Last week they submitted to me an extraordinary report with more than 100 policy recommendations.

Please join me in acknowledging this amazingly talented group of community leaders. Will the members of my Transition Team please rise to be recognized.

Thank you so much. I promise to continue to harness the energy and talent that emerged during the transition process.

Over the course of the transition and in the first month of my administration I have been deeply gratified by the support and assistance of so many people throughout the Lansing Metro region.

In particular, I want to acknowledge the tremendous dedication and talents of our city employees, who strive to provide consistently high-quality services. Will those of you here tonight please rise to be recognized.

I am committed to hearing your ideas and implementing those that will help us conduct the work of the city more efficiently, more effectively and at a lower cost to the taxpayers of Lansing.

As we redesign and refocus city government, we must also find new ways of partnering with our neighbors and with the private sector to create efficiencies that serve the best interests of taxpayers.

So tonight I am announcing the creation of the new **Lansing Metro Regional Initiative**. By building bridges instead of walls with neighboring jurisdictions, we can increase efficiency and get more bang for the taxpayers' buck. I am pleased to announce that this initiative will be chaired by community leaders Chris Holman and Theda Rudd. Will both of you please rise and be recognized.

I am pleased that we are joined tonight by the leaders of several neighboring communities. I'd like to introduce some of our regional partners. Thanks so much for joining us tonight. We are stronger when we stand together as one region and work in good faith with our regional partners.

There is perhaps no more critical area where we must work together and stand together as one region than in the realm of economic growth and job creation. While there are many efforts underway to promote our economy, they must be brought together with a common vision.

In the days ahead I will invite 40 of Lansing Metro's best and brightest leaders in business, labor and academia to join my **Mayor's Council of Economic Advisers**. These individuals will bring an enormous wealth of talent and expertise to the table and they will help me design a new economic strategy for Lansing's future.

It will be a strategy to grow and diversify this economy. It will be a plan to create new, good-paying jobs in Lansing and in the Lansing Metro region by working harder, smarter and faster, together.

My Economic Council will be led by Accident Fund CEO Elizabeth Haar and MSU's distinguished professor Dr. Soji Adelaja. Dr. Adelaja could not be with us tonight, but Elizabeth will you please rise and be recognized.

We will also pursue initiatives that put the Lansing Metro region on the cutting-edge of new technologies. We must offer the high-tech infrastructure that today's businesses demand and that will help us compete for the jobs of the future.

In the coming weeks I will launch **Wireless Lansing**, a new initiative to create a wireless network that serves business and government, and provides low-cost access to high-speed Internet services.

As we work to grow Lansing's economy and create new jobs, we must also take stock of one of our most important assets. We are truly fortunate that the Lansing Metro region remains the centerpiece of GM's North American strategic plan.

GM employs 6,300 of the best autoworkers in the world, right here in Lansing.

They support a payroll of more than \$500 million annually, right here in Lansing.

GM has invested more than \$2.5 billion over the last five years, right here in Lansing.

The Lansing Grand River plant builds three different lines of award-winning Cadillacs. The Lansing-Delta Plant will begin building later this year three brand new vehicles that represent the best GM has to offer: the Buick Enclave, Saturn Outlook and GMC Acadia.

My friends, I'm proud to say we're a GM town and even prouder to say I come from a GM family. My dad retired from GM and my administration will work hand-in-hand with General Motors and the UAW to help them emerge as the world's number one automaker for decades to come.

Even as we celebrate GM's commitment to building cars in Lansing, we must strengthen and diversify our economic base to capitalize on emerging technologies and create the jobs of the future.

Tomorrow I will join MSU President Lou Anna Simon and others to launch Lansing's new **SmartZone**. The SmartZone is a high-technology research park that will attract millions of dollars in new investment and thousands of new, good-paying jobs to Lansing.

And let me again acknowledge the leadership of President Simon and former Lansing Mayor David Hollister. Two weeks ago, they announced a bold new strategy to leverage MSU's extraordinary research capabilities and put them to work right here in Lansing. MSU will play a central role in growing our economy and creating the jobs of the future today.

Energizing Lansing's economy and creating new jobs for our citizens must also focus on revitalizing the center of our city. Long-time Lansing residents can still remember the bustling downtown business district, where people did their shopping and where the aroma of roasting peanuts filled the air.

I'm delighted to say that legacy businesses like Kositchek's, Kewpie's, Linn & Owens Jewelers and Hack's Key Shop are still going strong, and that one of my favorites, the Peanut Shop, is still with us as well. Please help me thank these entrepreneurs for keeping the spirit of downtown Lansing alive and well.

Today, our downtown stands on the cusp of a major revival. A new generation of entrepreneurs is investing in downtown housing, and the market is responding. Young people are taking up residence in new lofts created from old office buildings on Washington Square.

The continued growth of Cooley Law School, now the largest in the nation under the able tutelage of President Don LeDuc, brings thousands of young people into our downtown long after the state employees have gone home. Our challenge is to keep them downtown and in Lansing after graduation through expanded economic opportunity.

Five years ago Mayor Hollister's Blue Ribbon Commission said we must turn the face of our downtown toward the river. They were right, and we can still make it happen.

In the next 30 days I will create a new initiative called **Grand Vision**. The mission of Grand Vision will be to create a strategic plan to redevelop our riverfront. We will paint a picture, a Grand Vision, of what our riverfront can and should be.

And then we will build it.

We must also work to create a healthier environment. A healthy environment is the foundation of a strong economy. The river that runs through our downtown, a crown jewel like no other, unfortunately is spoiled by sewage and storm water overflows. Lansing has already invested millions in the Combined Sewer Overflow project to help clean up this vital resource. Tonight I pledge my commitment to work with our regional neighbors to make the Grand River a Clean River that can once again be a great resource for recreation and enjoyment.

Perhaps the most important part of a healthy community is a healthy citizenry. A recent study concluded that most health problems are the result of the lifestyle choices we make. In other words, most of us can CHOOSE to live longer, healthier lives. Of course this will also help make Lansing a great place for employers to start a business, since health care is a major cost of doing business today.

That's why I'm announcing tonight the first-ever Mayor's Council on Physical Fitness. This new, public-private partnership will bring together the YMCA, Sparrow Health Systems, Ingham Regional, Blue Cross-Blue Shield, the Accident Fund Company of America and many others to help residents of the Capital City get fit, for life. Special thanks to Tony Fragale, president of the YMCA, for his enthusiastic support and assistance.

The Mayor's Council will reach out across the community to residents of all ages to encourage healthier lifestyles, including better eating habits and more exercise. I invite businesses and organizations across the Lansing Metro region to join this endeavor.

I am very pleased to announce that an extraordinary local woman will be heading up this initiative. Dr. Georgia Johnson was recently inducted into the Michigan Women's Hall of Fame. She is a trailblazer who was the first African American female tenure track professor at Michigan State. She is also a stellar athlete, winning 4 gold medals and one silver in the 2005 Michigan Senior Olympics.

Dr. Johnson, will you please stand to be recognized.

Thank you for your lifetime of outstanding work and service and for once again answering the call and helping lead our community to better health. You truly are an inspiration.

When it comes to inspiring people, much of our effort will focus on our youth, who hold so much promise for our future.

Five years ago, Mayor Hollister, Police Chief Mark Alley, Superintendent Sharon Banks and LCC President Paula Cunningham started the HOPE scholarship program. HOPE promises and delivers two years of community college for kids who work hard and stay in school. Mayor Benavides helped keep this initiative going and so will I. Working with our schools and Chief Alley, we will expand the program to include tutoring, mentoring and other assistance to get our kids across the finish line and into successful careers.

Helping our students succeed in school really is an obligation of the entire community. Parents, teachers, neighbors, business people, pastors; we all have a role to play in helping our children succeed in today's world.

I'd like to ask Lansing School Board President Guillermo Lopez and Superintendent Dr. Banks to join me here at the podium.

I want to congratulate you both on making school-wide AYP, Annual Yearly Progress, in the last school year. I want you to know that I'm committed to helping Lansing schools be the best they can be. I pledge my full support and collaboration to ensure a healthy environment that is conducive to learning in and around our schools.

Even in these tough budget times, I am committed to preserving and protecting after-school programs to keep our kids constructively engaged after school hours. By working together, with kids at the center, we'll make Lansing Schools shine.

Lansing shines brightest when we recognize and celebrate our community's rich diversity. Tonight I pledge to continue Mayor Benavides' **Initiative on Race and Diversity**, an important dialogue that leads to mutual understanding, respect and harmony. We are in this together and we are stronger as a community when we stand together as one.

In addition, to harness the energy and expertise of Lansing's faith community and to leverage the extraordinary power of faith in our lives, I will establish a new **Office of Faith-Based Initiatives** in the Mayor's Office. We will explore new ways to provide services that support the needs and aspirations of all our citizens, especially our youth. This effort will be directed by Bishop David Maxwell of the Clergy Forum of Greater Lansing.

Bishop Maxwell, will you please stand and be recognized.

We must be equally committed to creating and maintaining healthy neighborhoods.

Revitalizing Lansing's older housing stock and creating new housing developments will be a top priority of my administration. It is absolutely vital that Lansing have quality housing for all of its residents. We will make Lansing housing second-to-none and one of our greatest tools for attracting new families to our community.

To improve the quality of life in our neighborhoods, we will soon implement an aggressive new strategy to transform "red-tagged" houses into quality, affordable homes in neighborhoods across Lansing.

To complement these efforts, we will work overtime to strengthen public safety in our neighborhoods. Healthy neighborhoods are safe neighborhoods.

Tonight I am pleased to announce that Police Chief Alley is developing a plan that will restore Community Policing to our neighborhoods. Community Policing creates partnerships that empower citizens to help prevent crime before it starts.

Lansing has its challenges, to be sure. But we are bigger than the challenges we face. There is an old adage that "tough times never last, but tough people do." Lansing is full of tough people, smart people, dedicated and decent people.

We will get beyond the challenges that we face. We will get beyond our tough times. And we will grow Lansing into the great Midwestern capital city it can and should be.

Together we will tackle the challenges and face our future head-on. We just need the audacity to believe in ourselves and a plan to leverage our assets and we will take Lansing from good to great.

My friends and colleagues, I hope you will join me in believing in Lansing and together we will ensure that Lansing's future starts now.

Good night. God bless you, and God bless Lansing.

Highlights of City activities and accomplishments for 2005 are available from City departments and from the Mayor's Office. They are produced throughout the year and include:

- Lansing Police Department Annual Report
- Lansing Fire Department Annual Report
- Public Service Department Annual Report
- Parks and Recreation Department Five-Year Plan
- Department of Planning and Neighborhood Development Project Map
- Economic Development Corporation Annual Report
- Mayor's Annual Budget Report